

OCT 03 2006

Form C-1
December 2002

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

NOTICE OF INTENT TO DRILL

Must be approved by KCC five (5) days prior to commencing well

CONSERVATION DIVISION
WICHITA, KS

Form must be Typed
Form must be Signed
All blanks must be Filled

For KCC Use:
Effective Date: 10-8-06
District #: _____
SGA? Yes No

Expected Spud Date 10/13/2006
month day year

OPERATOR: License# 33325
Name: Petroleum Development Corporation
Address: 103 E. Main Street, PO Box 26
City/State/Zip: Bridgeport, WV 26330
Contact Person: James Annable
Phone: 303-905-4340

CONTRACTOR: License# 33532
Name: Advanced Drilling Technologies

Well Drilled For: Oil Gas OAWD Seismic; # of Holes Other
Well Class: Enh Rec Storage Disposal Other
Type Equipment: Mud Rotary Air Rotary Cable

If OWWO: old well information as follows:
Operator: NA
Well Name: _____
Original Completion Date: _____ Original Total Depth: _____
Directional, Deviated or Horizontal wellbore? Yes No
If Yes, true vertical depth: _____
Bottom Hole Location: _____
KCC DKT #: _____

Spot SW 1253 NE 1659 NW _____ Sec. 15 Twp. 2S S. R. 42 East West
_____ feet from N / S Line of Section
_____ feet from E / W Line of Section
Is SECTION _____ Regular Irregular?

(Note: Locate well on the Section Plat on reverse side)
County: Cheyenne
Lease Name: Hilt Well #: 21-15
Field Name: Cherry Creek Niobrara Gas Area
Is this a Prorated / Spaced Field? Yes No
Target Formation(s): Niobrara
Nearest Lease or unit boundary: 995'
Ground Surface Elevation: 3749' feet MSL
Water well within one-quarter mile: Yes No
Public water supply well within one mile: Yes No
Depth to bottom of fresh water: 250'
Depth to bottom of usable water: 250'
Surface Pipe by Alternate: 1 2
Length of Surface Pipe Planned to be set: 300'
Length of Conductor Pipe required: NA
Projected Total Depth: 1800'
Formation at Total Depth: Niobrara
Water Source for Drilling Operations: Well Farm Pond Other Drilling contractor
DWR Permit #: _____
(Note: Apply for Permit with DWR)
Will Cores be taken? Yes No
If Yes, proposed zone: _____

AFFIDAVIT

The undersigned hereby affirms that the drilling, completion and eventual plugging of this well will comply with K.S.A. 55 et. seq.
It is agreed that the following minimum requirements will be met:
1. Notify the appropriate district office prior to spudding of well;
2. A copy of the approved notice of intent to drill shall be posted on each drilling rig;
3. The minimum amount of surface pipe as specified below shall be set by circulating cement to the top; in all cases surface pipe shall be set through all unconsolidated materials plus a minimum of 20 feet into the underlying formation.
4. If the well is dry hole, an agreement between the operator and the district office on plug length and placement is necessary prior to plugging;
5. The appropriate district office will be notified before well is either plugged or production casing is cemented in;
6. If an ALTERNATE II COMPLETION, production pipe shall be cemented from below any usable water to surface within 120 days of spud date.
Or pursuant to Appendix "B" - Eastern Kansas surface casing order #133,891-C, which applies to the KCC District 3 area, alternate II cementing must be completed within 30 days of the spud date or the well shall be plugged. In all cases, NOTIFY district office prior to any cementing.
I hereby certify that the statements made herein are true and to the best of my knowledge and belief.
Date: 10/2/2006 Signature of Operator or Agent: _____ Title: Sr. Regulatory Consultant

For KCC Use ONLY
API # 15 - 023-20736-0000
Conductor pipe required None feet
Minimum surface pipe required 300 feet per Alt. 1
Approved by: RH10-3-06
This authorization expires: 4-3-07
(This authorization void if drilling not started within 6 months of approval date.)
Spud date: _____ Agent: _____

Remember to:
- File Drill Pit Application (form CDP-1) with intent to Drill;
- File Completion Form ACO-1 within 120 days of spud date;
- File acreage attribution plat according to field proration orders;
- Notify appropriate district office 48 hours prior to workover or re-entry;
- Submit plugging report (CP-4) after plugging is completed;
- Obtain written approval before disposing or injecting salt water.
- If this permit has expired (See: authorized expiration date) please check the box below and return to the address below.
 Well Not Drilled - Permit Expired
Signature of Operator or Agent: _____
Date: _____

15
2
42W

OCT 0 3 200

IN ALL CASES PLOT THE INTENDED WELL ON THE PLAT BELOW

Plat of acreage attributable to a well in a prorated or spaced field

CONSERVATION DIVISION

If the intended well is in a prorated or spaced field, please fully complete this side of the form. If the intended well is in a prorated or spaced field complete the plat below showing that the well will be properly located in relationship to other wells producing from the common source of supply. Please show all the wells and within 1 mile of the boundaries of the proposed acreage attribution unit for gas wells and within 1/2 mile of the boundaries of the proposed acreage attribution unit for oil wells.

API No. 15 - 023-20736-0000
Operator: Petroleum Development Corporation
Lease: Hilt
Well Number: 21-15
Field: Cherry Creek Niobrara Gas Area
Number of Acres attributable to well: NA
QTR / QTR / QTR of acreage: SW - NE - NW

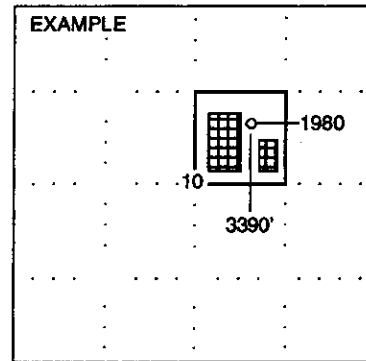
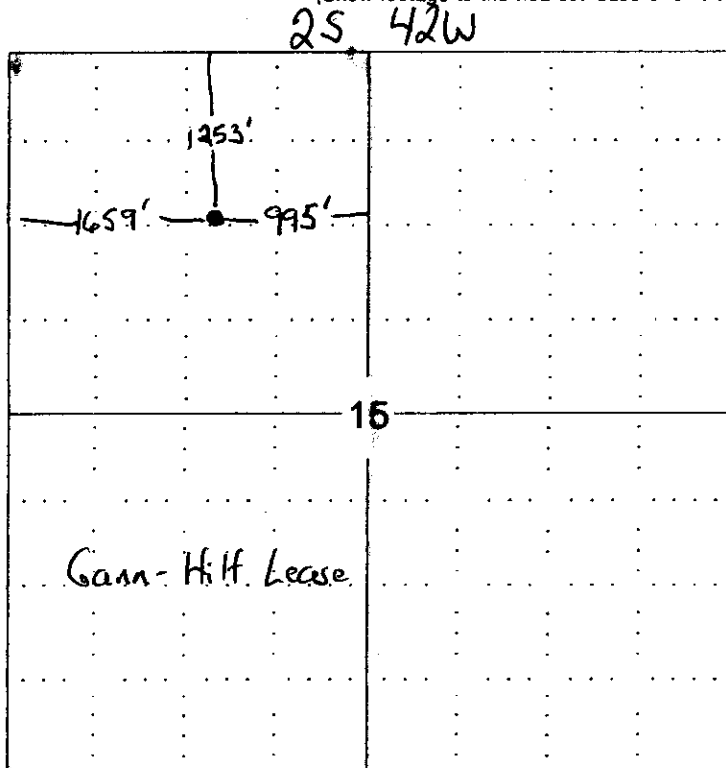
Location of Well: County: Cheyenne
1253 feet from N / S Line of Section
1659 feet from E / W Line of Section
Sec. 15 Twp. 2S S. R. 42 East West

Is Section: Regular or Irregular

If Section is Irregular, locate well from nearest corner boundary.
Section corner used: NE NW SE SW

PLAT

*(Show location of the well and shade attributable acreage for prorated or spaced wells.)
(Show footage to the nearest lease or unit boundary line.)*

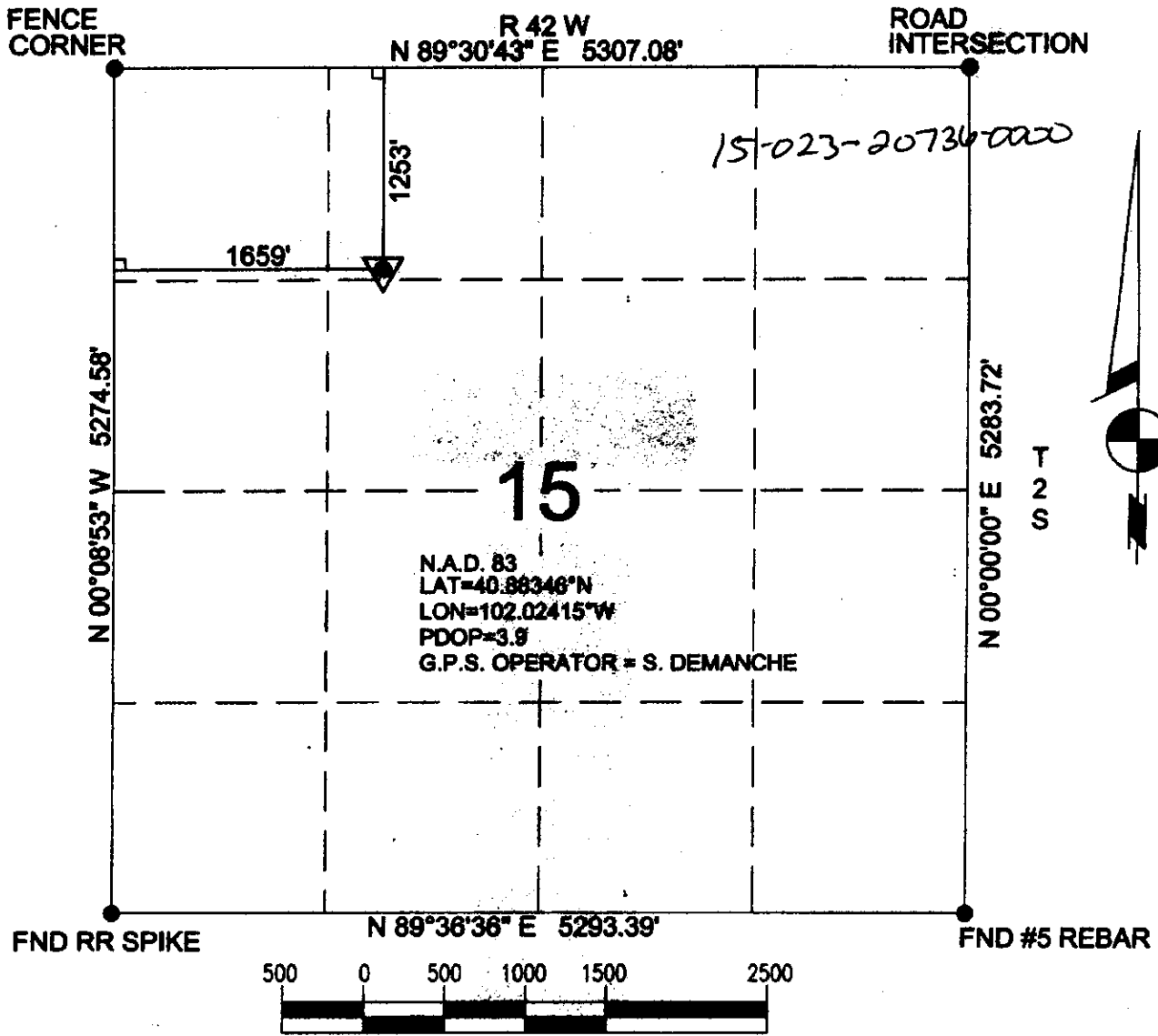


NOTE: In all cases locate the spot of the proposed drilling location.

In plotting the proposed location of the well, you must show:

1. The manner in which you are using the depicted plat by identifying section lines, i.e. 1 section, 1 section with 8 surrounding sections, 4 sections, etc.
2. The distance of the proposed drilling location from the section's south / north and east / west.
3. The distance to the nearest lease or unit boundary line.
4. If proposed location is located within a prorated or spaced field a certificate of acreage attribution plat must be attached: (CO-7 for oil wells; CG-8 for gas wells).

BASIS OF BEARINGS: THE NORTH LINE OF SECTION 15, AS SHOWN HEREON.



Power Surveying Co., Inc. of Frederick, Colorado has in accordance with a request from HUNTER BURDICK for PETROLEUM DEVELOPMENT CORPORATION determined the location of HILT 21-15 to be 1253' FNL & 1659' FWL Section 15, Township 2 SOUTH Range 42 WEST of the Sixth Principal Meridian, CHEYENNE County, KANSAS

LOCATION NOTES
 LOCATION FALLS IN: WHEAT FIELD
 IMPROVEMENTS: NONE WITHIN 200' OF LOCATION.
 ELEVATION DETERMINED FROM NAVD 1988 DATUM.
 GROUND ELEVATION = 3749'
 DISTANCES AND BEARINGS ARE FIELD MEASURED UNLESS OTHERWISE NOTED.

POWER
 Surveying Company, Inc.
 Established 1908
 7800 MILLER DRIVE UNIT C
 FREDERICK, COLORADO 80504
 303-702-1617

- LEGEND**
- SECTION CORNER (AS NOTED)
 - ▼ PROPOSED WELL LOCATION

FIELD DATE: 8-18-06 WO# 501-06-918
 DATE OF COMPLETION: 8-25-06

KANSAS CORPORATION COMMISSION
OIL & GAS CONSERVATION DIVISION

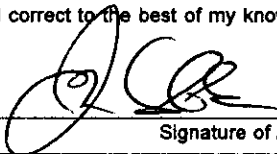
RECEIVED
KANSAS CORPORATION COMMISSION
Form CDP-1
April 2004
Form must be Typed

APPLICATION FOR SURFACE PIT

OCT 03 2006

Submit in Duplicate

CONSERVATION DIVISION
WICHITA, KS

Operator Name: Petroleum Development Corporation		License Number: 33325
Operator Address: 103 E. Main Street, PO Box 26 Bridgeport, WV 26330		
Contact Person: James Annable		Phone Number: (303) 905 - 4340
Lease Name & Well No.: Hilt 21-15		Pit Location (QQQQ): SW NE NW Sec. 15 Twp. 2S R. 42 <input type="checkbox"/> East <input checked="" type="checkbox"/> West 1253 Feet from <input checked="" type="checkbox"/> North / <input type="checkbox"/> South Line of Section 1659 Feet from <input type="checkbox"/> East / <input checked="" type="checkbox"/> West Line of Section Cheyenne County
Type of Pit <input type="checkbox"/> Emergency Pit <input type="checkbox"/> Burn Pit <input type="checkbox"/> Settling Pit <input checked="" type="checkbox"/> Drilling Pit <input type="checkbox"/> Workover Pit <input type="checkbox"/> Haul-Off Pit <i>(If WVP Supply API No. or Year Drilled)</i>	Pit is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Existing If Existing, date constructed: _____ Pit capacity: 1200 (bbls)	
Is the pit located in a Sensitive Ground Water Area? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Chloride concentration: _____ mg/l <i>(For Emergency Pits and Settling Pits only)</i>
Is the bottom below ground level? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Artificial Liner? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	How is the pit lined if a plastic liner is not used? Natural Clay/bentonite
Pit dimensions (all but working pits): 50 Length (feet) 30 Width (feet) N/A: Steel Pits Depth from ground level to deepest point: 6 (feet)		
If the pit is lined give a brief description of the liner material, thickness and installation procedure. NA		Describe procedures for periodic maintenance and determining liner integrity, including any special monitoring. NA
Distance to nearest water well within one-mile of pit NA feet Depth of water well NA feet		Depth to shallowest fresh water 204 feet. Source of information: _____ measured _____ well owner _____ electric log <input checked="" type="checkbox"/> KDWR
Emergency, Settling and Burn Pits ONLY: Producing Formation: _____ Number of producing wells on lease: _____ Barrels of fluid produced daily: _____ Does the slope from the tank battery allow all spilled fluids to flow into the pit? <input type="checkbox"/> Yes <input type="checkbox"/> No		Drilling, Workover and Haul-Off Pits ONLY: Type of material utilized in drilling/workover: Bentonite mud Number of working pits to be utilized: 1 Abandonment procedure: Evaporation/backfill _____ Drill pits must be closed within 365 days of spud date.
I hereby certify that the above statements are true and correct to the best of my knowledge and belief. 10/2/2006 Date  Signature of Applicant or Agent		

15-023-20736-0220

KCC OFFICE USE ONLY

Date Received: **10/3/06** Permit Number: _____ Permit Date: **10/3/06** Lease Inspection: Yes No